

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 861 - HB 1144**

March 5, 2009

**SUMMARY OF BILL:** Authorizes a \$2.00 increase in the amount that municipalities may charge taxpayers for the collection and recording of business tax. Earmarks the funds generated from this increase for computer hardware purchases or replacement, or other usual and necessary computer-related expenses at the discretion of the municipality.

**ESTIMATED FISCAL IMPACT:**

**Increase Local Revenue – Exceeds \$20,000**

Assumptions:

- Under current law, county clerks are authorized to charge \$7.00 per return; municipalities are authorized to charge \$5.00 per return.
- The majority of business tax collections are collected through county clerk offices across the state.
- It is unknown the number of taxpayers who pay business tax through municipalities in lieu of paying the tax at county clerk offices. This number is dependent upon the number of municipalities that accept business tax returns and the number of business taxpayers that utilize the municipality for paying the business tax. However, such number is conservatively estimated to be at least 10,000 statewide.
- The increase to local government revenue is estimated to exceed \$20,000 per year (10,000 x \$2.00 increase = \$20,000).

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/rnc